



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE MODIFICATION OF THE)
UNIVERSAL SERVICE FUND'S UTILITY ACCOUNT)
MATCHING PROCESS)

ORDER

Docket No. EO09010046
GO09010047

(SERVICE LIST ATTACHED)

BY THE BOARD:

BACKGROUND

The Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq. ("EDECA" or the "Act"), provides that the New Jersey Board of Public Utilities ("Board") both establish a Universal Service Fund ("USF") and determine the level of funding for USF, the appropriate administration, and the purposes and programs to be funded. N.J.S.A. 48:3-60(b).

On April 30, 2003, in Docket No. EX00020091 ("April 2003 Order"), the Board approved a permanent USF program to assist low-income customers with the payment of electric and gas bills. The Board ordered that the program be operated on a state-wide basis and funded through uniform charges on customers' electric and natural gas bills through the Societal Benefits Charge collected pursuant to N.J.S.A. 48:3-60(a)¹. Pursuant to the April 2003 Order, the structure of the USF program is not static; rather it is "an ongoing, evolving program, subject to review and amend[ment] as necessary." Accordingly, the Board has made changes to the structure of the USF program in subsequent Orders.

At its July 30, 2008 Agenda meeting, the Board directed Staff, in conjunction with the Department of Community Affairs ("DCA") and the Department of Human Services ("DHS"), to initiate a broad overview of the interconnections between USF, the Low Income Home Energy Assistance Program ("LIHEAP") and the Food Stamps program. Since that time,

¹ The seven participating utility companies are Elizabethtown Gas Company("ETG"), New Jersey Natural Gas Company("NJNG"), Public Service Electric & Gas Company(PSE&G"), South Jersey Gas Company("SJG"), Atlantic City Electric Company("ACE"), Jersey Central Power and Light Company("JCP&L"), and Rockland Electric Company("RECO").

representatives from the State agencies, members of the USF Working Group and other interested parties² have conducted regular meetings to determine if the three programs' administrative and technical processes, where interconnected, are best serving applicants. To structure this effort toward specific goals, three subcommittees were established: the Heating Living Arrangement ("HLA") sub-committee; the LIHEAP Handbook and Application Process sub-committee; and the Utility Matching subcommittee. This order addresses recommendations from the Utility Matching subcommittee.

The three subcommittees were given direction by an oversight committee consisting of department heads from the Board, the DHS Division of Family Development ("DFD"), which runs the Food Stamp program, and DCA, which administers both USF and LIHEAP. The Utility Matching subcommittee was directed to: "examine the current process used by the utilities concerning USF and LIHEAP files with unknown utility account numbers and provide guidance concerning a uniform process to be used by all utilities. The process should result in the greatest number of accurate matches to ensure households entitled to these benefits are properly screened. Careful consideration must be given to the potential impact on USF, LIHEAP, and Food Stamps regarding any suggestions. Also, applicable laws, rules and Board orders must be considered as well".

The USF screening process utilizes a specific methodology to categorize and track applicants, which requires a utility account matching process. Records of income eligible applicants whose utility account numbers are unknown are transmitted to the utilities from the USF system, so that the utilities can attempt to match these applicants to account records. After a utility claims a USF applicant as an account holder, the utility returns the account information and energy burden to the USF system for eligibility determination and, if appropriate, a benefit calculation. The USF system then uses an automated process to calculate the benefit amount, which is sent to the utility to start crediting the customer's bill. Historically, the majority of unknown account records sent to the utilities from the USF system are Food Stamps clients, due to the fact that only one utility account number (for the heating account) is currently stored and transmitted by the Food Stamps program to the USF system.

Currently, the process the utilities use to match USF applicants to utility accounts varies from company to company³. While the automated nature of the matching process is necessary due to the large volume of USF applicants, at times it has resulted in inaccurate account matching for USF clients with unknown account numbers. Therefore, in its January 20, 2009 Order in Docket No. EO08060452, the Board directed Board Staff to "Work with the utilities to develop a standardized matching process, subject to Board review and approval, for income eligible applicants in the USF/LIHEAP database and system with unknown utility account numbers".

² Included representatives from Board Staff, Office of Information Technology ("OIT"), DCA, the Department of Human Services, DFD, the seven regulated electric and natural gas companies, Legal Services of New Jersey ("LSNJ"), New Jersey SHARES, Rate Counsel, AARP, New Jersey Citizen Action and other interested parties.

³ All utilities with the exception of RECO use an automated matching process. In RECO's service territory there are a small number of USF applicants and unknown accounts are matched manually instead of using an automated process. Manual matching of accounts is considered the most accurate.

In an effort to determine a standardized automated approach for matching USF applicants with utility account information, the Utility Matching subcommittee met twice monthly from September 2008 through January 2009 and worked to create a uniform set of matching criteria to be used by each utility. The subcommittee met with DFD staff to learn more about the information being transmitted from the Food Stamp program to the USF system. The subcommittee also broke down each utility's current unique matching process pinpointing when a match occurs in each utility's system and discussing the pros and cons of each. The subcommittee shared what data was available in the USF system and each utility's individual systems to determine what could be used for purposes of the standardized account matching process. The subcommittee discussed changes that could be made to capture additional information from the Food Stamps program and be sent to the utilities from the USF System. Subsequently the committee deliberated and reached a consensus on the reliability of each potential match point using this information and created a draft uniform matching criteria that all utilities could use on a prospective basis.

On March 16, 2009 the Secretary of the Board sent a letter to each utility company requesting the utilities to perform testing of this proposed matching criteria and report their findings to the Utility Matching subcommittee.⁴ Testing was completed on August 17, 2009. On August 26, 2009 the subcommittee reconvened and discussed the results of their testing and any potential problems. Test results indicated that the utilities either accurately matched more USF applicants to utility accounts with the proposed matching process than with the current matching processes, or experienced no difference. The subcommittee agrees that the proposed uniform matching process improves the current disparate matching processes used by the utilities and that the new uniform matching process can be implemented by November 1, 2009, which is the start of the heating season.

DISCUSSION AND FINDINGS

A uniform matching criteria will enable the utilities to match USF applicants to their proper utility accounts more accurately and quickly. Also, should any inaccuracies appear in the future, it will be much easier to pinpoint and correct the problem at all the utilities at the same time.

Accordingly, and based on the discussion above, the Board HEREBY ORDERS that all electric and natural gas utilities providing service in New Jersey and using an automated matching process⁵ shall implement the uniform matching criteria no later than November 1, 2009 (See Attachment A). This uniform matching criteria is designed to produce more accurate matches than the current disparate matching processes that are utilized by the various utilities.

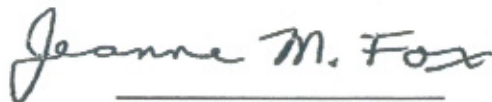
⁴ All utilities with the exception of Rockland Electric Company participated in the testing. RECO's manual account matching is more accurate than using an automated process.

⁵ RECO may continue to use its manual matching process. If RECO implements an automated matching process in the future, it shall immediately implement the uniform matching criteria set forth in this order as subsequently modified.

Any determination regarding the appropriateness of the recovery of costs associated with system changes necessary for compliance with the standardized matching criterion shall be made in an appropriate proceeding for the Board's consideration. The utilities should categorize these administrative costs, in the compliance filing, as part of the matching process system changes.

DATED: 10/8/09

BOARD OF PUBLIC UTILITIES
BY:



JEANNE M. FOX
PRESIDENT



FREDERICK F. BUTLER
COMMISSIONER



JOSEPH L. FIORDALISO
COMMISSIONER




NICHOLAS ASSELTA
COMMISSIONER



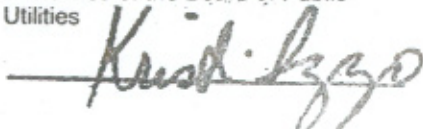
ELIZABETH RANDALL
COMMISSIONER

ATTEST:



KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



Attachment A:
Universal Service Fund (USF) Utility Matching Subcommittee
Uniform Utility Account Matching Process

The following is the USF matching criterion that was developed by USF Utility Matching Subcommittee members.

"Ports", "USF BENE", "RECALLS", "Closed", "DENI" and "RBEN" record types must match to a known, active residential account or the record should be rejected. With these transaction types, the record from OIT will always have a utility account number present and will therefore match. When matching Emergency HEA and USF BBEN records, the utility must match to a known, residential account number also, but if the account is closed with an outstanding balance, the benefit can be taken.

The following matching criterion shall apply only to USF APP, USF UNKWN, HEA UNKWN & HEA BENE records. If a match does not occur using the transaction record's primary applicant's data fields, the secondary applicant's data fields shall be used, if available, to attempt to match the record to an account number. The utility shall indicate in the record at which of the following steps the transaction record matches to an account number:

- Step 1. Attempt to match using the "account number" to the complete utility account number. If a record matches, it is accepted as "matched" as long as the account is an active residential account.
- a) If the USF APP record has a "heaStartDate" ending in "1001" and does not match on the account number provided in the record, the record must be rejected.
 - b) If the matched account number is active and not residential, reject and read the next record on the OIT file.
 - c) If there is no matching commodity (electric or gas) matching the OIT record, the record must be rejected.
 - d) If the account is inactive, [continue to look for a matching account number on an active, residential account, otherwise]⁶ proceed to step 2.
 - e) If the account number is missing continue with step 2.

- Step 2. If "social security number" (SSN) is missing from the OIT record, go to step 4. Otherwise, attempt to match using the SSN. If the record matches on SSN, then match on a minimum of the first 6 characters of the "last name" or complete "last name" if less than 6 characters. If both SSN and "last name" match, the record is accepted as "matched" as long as the account is an active residential account.
- a) If the matched account is inactive, not residential or both, or has no corresponding commodity (electric or gas) continue searching file for active residential account with SSN and above described last name match. Otherwise go to step 3.

⁶ Applies to NJNG only. NJNG is unique in that it may continue searching for an active, residential account with the same account number because their system has duplicate account numbers for Fresh Start purposes.

- b) If the record matches on SSN but does not match on a minimum of the first 6 characters of the "last name" or complete "last name" if less than 6 characters go to step 3.
- c) If more than one active residential account is found, the record should be matched to the first available active residential account for the account holder.

Step 3. Attempt to match using the "social security number". If the record matches, match the full "house" number and a minimum of the first 4 characters of the "street name" or less if entire street name is less than the 4 characters. If all match, the record is accepted as "matched" as long as the account is an active residential account.

- a) If the matched account is not residential or is inactive or both or has no corresponding commodity (electric or gas), continue searching file for other accounts that meet requirements.
- b) If the "social security number" field is missing from OIT record or utility file go to step 4.
- c) If the full "house" number and the first 4 characters of the "street name" do not match to an active residential account go to step 4.

Step 4. Attempt to match using all of the following: a minimum of the first 6 characters of the "last name" or entire last name if less than 6 characters; a minimum of the first 6 characters of the "first name" or entire first name if less than 6 characters; 5 digit zip code; the full "house" number and a minimum of the first 4 characters of the "street name" or the entire "street name" if less than 4 characters. If all match, the record is accepted as "matched" as long as the account is an active residential account and has a corresponding commodity (electric or gas).

- a) If the matched account is: inactive, not residential, does not match the step 4 criteria, or has no corresponding commodity (electric or gas), reject and read the next record on the OIT file.
- b) Step 4 may be kicked out for manual review if any three out of four criteria are matched. Example: Record matching on last name, zip code and house number with street name, but not matching on first name. (This could potentially be a correct match, or it could be relatives of the applicant living in the same apartment building).*

* Utilities may do a manual matching activity at the discretion of the utility as long as a reasonable logic is used. For example, the spelling of last name or first name, or address verification.

Daniel Nardoza
Office of Information Technology
300 River View Plaza
P.O. Box 212
Trenton, NJ 08625

Rate Counsel

Sarah Steindel, Esq.
Division of the Rate Counsel
31 Clinton Street, 11th Floor
P.O. Box 46005
Newark, NJ 07102

Atlantic City Electric

Marty Nemerofsky
Atlantic City Electric Company
84CP26
5 Collins Drive
Carneys Point, NJ 08069

Dorothy Robinson
Atlantic City Electric Company
84CP26
5 Collins Drive
Carneys Point, NJ 08069

Cheryl Caldron
Atlantic City Electric Company
84CP26
5 Collins Drive
Carneys Point, NJ 08069

AGL/Elizabethtown Gas

Gina O'Donnell
Supervisor, Energy Assistance
Administration
Elizabethtown Gas Company
300 Connell Drive, Suite 3000
Berkley Heights, NJ 07922

JCP&L

Timothy Keltz
First Energy
Human Services
2800 Pottsville Pike
PO Box 16001
Reading, PA 19612 - 6001

NJNG

Anne-Marie Peracchio
NJ Natural Gas Company
1415 Wyckoff Road
P.O. Box 1464
Wall, NJ 07719

Gregory Seitz
Customer Services Manager
NJ Natural Gas Company
1415 Wyckoff Road
P.O. Box 1464
Wall, NJ 07719

PSE&G

Eileen Leahey
PSE&G-Regional Public Affairs Manager
Union, Somerset & Hunterdon Counties
900 West Grand Street/Mail Code 417
Elizabeth, NJ 07202-1004

Claire Bartolomeo
PSE&G
Payment Assistant Outreach
80 Park Plaza-T7
Newark, NJ 07102

Rockland Electric Company

Rick Struck
Rockland Electric Company
390 West Route 59
Spring Valley, NY 10977

Eric Caban
Rockland Electric Company
390 West Route 59
Spring Valley, NY 10977

Mike Baca
Rockland Electric Company
390 West Route 59
Spring Valley, NY 10977

South Jersey Gas Company

James Fredericks
South Jersey Gas Company
One South Jersey Plaza
Route 54
Folsom, NJ 08037

Donald W. Dyson
South Jersey Gas Company
General Manager, Information Technology
SJI Services
1 South Jersey Plaza
Folsom, NJ 08037

Elizabeth Mazzone
South Jersey Gas Company
Information Technology Department
1 South Jersey Plaza
Folsom, NJ 08037

South Jersey Gas Company

Jannie Foxworth
Supervisor, Customer Care Center
South Jersey Gas
Customer Care Center
P.O. Box 577
Hammonton, NJ 08037-9927

Christopher Palow
South Jersey Gas Company
1 South Jersey Plaza
Folsom, NJ 08037

AARP

James Dieterle
Director
AARP New Jersey
Forrestal Village
101 Rockingham Row
Princeton, NJ 08540

Legal Services of New Jersey

David McMillan
100 Metroplex Drive
Suite 402
Edison, NJ 08817

New Jersey Citizen Action

Atif Malik
Organizer
New Jersey Citizen Action
44 Broad Street, Suite 2080
Newark, NJ 07102

NJ SHARES

Jim Jacobs
Executive Director
1901 North Olden Avenue Extension
Suite 1A
Ewing, NJ 08618